HOUSE RESEARCH

Bill Summary

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Section

1 **Payment restructuring; quality incentive payments.** Amends § 62U.02. Modifies requirements for the Statewide Quality Reporting and Measurement System (SQRMS) administered by the commissioner of health, which establishes a standard set of quality measures and reporting requirements for health care providers and health plan companies in the state.

Subd. 1. Development. Clarifies that the commissioner establishes two sets of quality measures under this section, one for health plan companies under subdivision 5 and one for health care providers. Requires that the quality measures for health care providers are:

for physician clinics, selected from measures established in federal rule for Medicare, unless there is no measure in federal rule for a particular diagnosis, condition, service, or procedure;

based on medical evidence (this requirement exists in current law and is being moved to this clause); and

developed through a process in which providers participate.

Allows these measures to include care infrastructure and patient satisfaction (this language is moved here from subdivision 3), and removes requirements for the initial set of measures and requirements that the measures for primary care are incorporated.

Directs the commissioner, by June 30, 2018, to update the statewide measures for health care providers based on a measurement framework. Specifies that no more than

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6 statewide measures will be required for single-specialty physician practices and no more than 10 measures will be required for multi-specialty physician practices, except that additional measures may be included if they are derived from administrative claims data. Requires the measurement framework to be developed in consultation with stakeholders, and requires the framework to be reviewed at least once every 3 years.

Subd. 2. Quality incentive payments. No amendments to this subdivision.

Subd. 3. Quality transparency. Requires the commissioner to issue periodic, rather than annual, reports on quality, and clarifies that the reports must address trends in provider quality at the statewide, regional, and community levels. Clarifies that physician clinics and hospitals must provide the commissioner with information on the identified statewide measures. Requires the commissioner to align reporting requirements for physician clinics with the specifications and timelines for the measures selected according to subdivision 1, and allows the commissioner to require reporting of additional data on race, ethnicity, preferred language, country of origin, or other sociodemographic factors required for stratification or risk adjustment.

Subd. 4. Contracting. Current law requires that the private entity or consortium with which the commissioner contracts for this system is nonprofit and has specific stakeholders represented in its governance structure. With this amendment, the private entity or consortium may be nonprofit and have specific stakeholder representation, but these are not required.

Subd. 5. Implementation. Makes a clarifying change to conform with changes made in subdivision 1.

2 **Performance reporting and quality improvement system.** Amends § 256B.072. Updates a cross-reference based on an amendment in section 1.